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SUBJECT: PRESIDENT GUEBUEZA DISCUSSES POVERTY REDUCTION  
PLANS

¶1. Summary: President Armando Guebuza told diplomats on October 17 that the government of Mozambique (GRM) would address poverty more quickly through initiatives for advanced schooling, tourism, and business competitiveness/investment that would require further donor assistance. These broad themes certainly strike the right chords with the international community, but short-term implementation will be challenging. End Summary.

¶2. At a dinner for 50 chiefs of diplomatic missions on October 17, Guebuza laid out the general framework for his administration's plans to combat poverty with the support of the international community.

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Improving Tertiary Education  
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¶3. First, Guebuza said the GRM would look to establish professional and technical schools in each of Mozambique's 127 districts within two years, with financial and technical assistance from donor countries. These schools would target training based on the primary economic strengths of each district. For example, if timber production is a primary source of income, then the technical school in that district would focus on forestry. Ismael Valigy, the MFA's head of the Europe and Americas department, later told the Charge that establishing economically targeted technical schools throughout the country would encourage Mozambicans outside of Maputo to remain in their provinces for education and work. This would help reduce the migration of talented Mozambicans from the provinces to Maputo and lead to a more equal rate of economic improvement throughout Mozambique.

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Improving Tourism Infrastructure  
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¶4. Moving to the theme of strengthening sustainable growth in the tourism sector, Guebuza emphasized that to combat poverty, Mozambique would need donor assistance to improve infrastructure in tourist areas. For example, he said that construction of hotels, construction of better roads, improved air service, and an enhanced telecommunications infrastructure would attract more tourists and create more jobs for Mozambicans.

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Improving the Business Climate  
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¶5. Guebuza said that Mozambique needed assistance to make its products more competitive in the international market,

pointing to rice and wheat production as prime examples. He recognized that there were impediments to foreign direct investment, citing the Mozambican bureaucracy and corruption as two key factors that discourage economic activity. Guebuza also noted that Mozambique needs to strengthen its good governance initiatives with more transparency in its processes.

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COMMENT: Good Goals, Tough Implementation  
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¶16. Guebuza's thoughts on education, infrastructure, and business show a clear recognition of the country's major weaknesses and potential areas for real, sustainable economic development. These ideas will be well-received by the international community; however, creating 127 new vocational schools in two years, building many roads and hotels, and making the commercial environment more efficient and attractive for investment are very tall orders in just two years. For this audience, Guebuza seemed more interested in introducing broad ideas to potential donor nations than in offering specifics on how these initiatives would be implemented and what level of funding would be required. Additionally, while he mentioned that Mozambican bureaucracy and corruption often discourage investment he made no mention of any new initiatives to address these pressing issues.

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